

CITY COUNCIL

CITY AND COUNTY OF HONOLULU
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Date: April 23, 2010

To: Council Chair Todd Apo
From: Councilmember Ikaika Anderson
Re: March 2010 meeting with Federal Transit Administration
Cc: All Councilmembers

A handwritten signature in black ink, appearing to be "Ikaika Anderson", is written over the "From:" line of the memo.

The City Council has grown increasingly concerned about the sparring between the state administration and the city administration in regards to Honolulu's mass transit project. Each administration routinely quoted the same sources within the Federal Transit Administration (FTA) as a basis for their respective positions on Honolulu's mass transit project. However, there were mixed messages coming out of each administration, with one publicly stating that their discussions with the FTA indicated the federal government's full support of the project's commencement, while the other administration publicly stated that their discussions with the FTA showed that the federal government had severe reservations about the project. The City Council, as the elected body responsible to authorize the city administration to float the bonds for the project, must be absolutely certain that the federal government supports Honolulu's mass transit project and will likewise contribute the \$1.55 billion in federal funding for its advancement. Rather than watch the kabuki drama as it unfolded on opposite sides of Punchbowl Street in Downtown Honolulu, the Council voted to send four of its members to personally meet with the FTA Administrator himself and his staff in Washington, DC.

On February 24, the City Council adopted Resolution 10-23, which appointed a Permitted Interaction Group (PIG) to travel to Washington, DC to investigate matters relating to Honolulu's mass transit project. The PIG was comprised of four councilmembers; Chair Todd Apo, Councilmember Ann Kobayashi, Councilmember Romy Cachola and myself. Due to the state Sunshine Law as outlined in Chapter 92 of the Hawaii Revised Statutes, members of boards and commissions (which include county councilmembers), may not discuss Council business outside of any scheduled meeting without forming a PIG. No more than four councilmembers shall make up any one PIG.

I left Honolulu the evening of March 7, and arrived in Washington, DC on the afternoon of March 8. The meeting with the FTA was to take place on the afternoon of March 9 at the United States Department of Transportation building.

Participating in the meeting with the four Honolulu councilmembers were FTA Administrator Peter Rogoff and members of his staff. Rogoff stated that the Federal Aviation Administration (FAA) has identified concerns with the airport segment of the alignment that will require collaboration between the City, the state and the federal government. The FAA is required to sign off on the programmatic agreement at some point.

I asked the FTA if they were as concerned with the City's financial plan as the state administration alleged. While the FTA has concerns pertaining to Honolulu's financial plan, Rogoff said the FTA's concerns are no greater than with any other federally funded mass transit project anywhere else in America. The two main concerns the FTA has with Honolulu's financial plan are a) the plan's proposal to transfer \$300 million in federal 5307 transportation monies from TheBus to the mass transit project over the course of 10 years, and b) the sunset date of the Honolulu surcharge on the state general excise tax to pay for mass transit. While the FTA would not say if failure to address either of these concerns in the final financial analysis were "deal breakers" of the project, they did say that both of these items are major concerns. It baffles me why the city administration would maintain the diversion of 5307 monies mentioned above as part of its current financial plan when the FTA has clearly stated their major concern with this proposal.

Rogoff verified that Hawaii Gov. Linda Lingle had indeed requested to do a joint state/federal financial analysis of the City's financial plan, but that the FTA had denied Lingle's request. While the FTA will indeed permit sharing of the federal cost analysis data with the state, Rogoff maintains that the completion of a financial analysis is a federal component of Honolulu's project. The FTA is indifferent on the state, or even the City Council, performing separate financial analyses independent of the federal analysis- however, Rogoff made it clear that the data derived from the federal financial analysis is the only analysis data the FTA would consider, regardless of conclusions reached by any separate financial analyses. Furthermore, the FTA said it is "out of the ordinary" for a state executive to perform a separate financial analysis of a mass transit project such as the one Honolulu is working on. Regardless, the FTA believes that Gov. Lingle will not sign off on the state portion of the Final Environmental Impact Statement (FEIS) until she and the state conduct a separate financial impact statement. Rogoff called Gov. Lingle's insistence of the state performing a separate financial analysis "puzzling", and stated that she "has the necessary tools" to stop Honolulu's mass transit project if she desires to do so.

The process for Honolulu's mass transit project to move forward, as outlined by the FTA, is:

- 1- A Record of Decision (ROD) to be rendered by the federal government;
- 2- Final Design phase, and
- 3- Issuance of a Letter of No Prejudice (LONP)
- 4- Full Funding Grant Agreement (FFGA)

FTA staff mentioned that design-build contracts may be let prior to an LONP. Rogoff said that while issuance of an LONP could occur prior to Final Design, this would be quite unusual. As to possible delays of the FFGA being issued, the FTA named lawsuits and Gov. Lingle's failure to sign the FEIS as the two most potential delays. Rogoff would not be inclined to issue an FFGA for Honolulu's mass transit project if the governor signaled she would not approve the state FEIS process.

FTA staff maintains that little, if anything, can be done to mitigate Revised Ordinances of Honolulu (ROH) visual impact requirements. If it's ever decided to construct UH Manoa or Waikiki spurs to the mass transit project with federal money involved, a supplemental EIS will be required. As to Honolulu's receiving the full \$1.55 billion in federal funding that we are requesting, the FTA believes this request is reasonable and that it's "very likely" Honolulu will indeed receive the entire \$1.55 billion request.

FTA staff will get back to the City Council regarding my request that the federal government compel the city administration to transmit ALL documents relating to the mass transit project simultaneously to the Council as they're transmitted to the FTA. The FTA noted that the city administration should have no objection to my request, as anyone can request this documentation by filing a Freedom of Information Act (FOIA) request.

Our meeting with the FTA confirmed that while the federal government supports Honolulu's mass transit project, there are a couple concerns with the project's financial plan. The meeting also confirmed that the concerns mentioned by the FTA are not nearly as severe as the state administration would like people to believe.

Our PIG also met with U.S. Sen. Daniel Inouye on the afternoon of March 9, where the senator reiterated his commitment to Honolulu's mass transit project. While Sen. Inouye stated that all councilmembers must be comfortable with the project before supporting it, he also said that this is very likely Honolulu's third and final opportunity to receive federal money for a mass transit project.

As Chairman of the Senate Appropriations Committee, Sen. Inouye will be responsible for steering to Honolulu the entire \$1.55 billion in federal money the city is requesting for its project. Although the FTA makes the request for federal monetary allotments, Congress must ensure that such requests remain in the budget as it reaches the president's desk.

For Honolulu's mass transit project to be successful, the city, state and federal governments must all work together to keep Honolulu's citizens informed and supportive of the project's progress. The City Council must have access to all information between any city agency and the federal government so as to allow all councilmembers the ability to make informed decisions on behalf of the people we represent.

City Council
City and County of Honolulu

CLAIM FOR TRAVEL REIMBURSEMENT

Date: April 7, 2010

Traveler: Ikalka Anderson


Event: Federal Transit Administration

Location: Washington, D.C.

Dates: From March 6, 2010 To March 10, 2010

Description	Amount	Notes
1. Registration Fee		
2. Airfare	\$787.65	DR: 3/7/10 7:10 pm RT: 3/11/10 7:45 pm
3. Hotel	\$776.31	
4. Meals	\$53.94	Receipts attached
5. Ground Transportation	\$69.50	Receipts attached
6. Tips	\$21.00	Tally tap attached
7. Other	\$9.51	Miscellaneous items receipts attached
Other	\$15.84	Miscellaneous items receipts attached
Other	\$50.00	Excess baggage fee online receipt attached
8. Adjustment		
		* \$258.77 charged to Dist. 7 contingency
		* \$1524.98 charged to transit account
TOTAL REIMBURSEMENT	\$1,783.75	

This is to certify that the above data, based upon receipts submitted to Council Administrative Support Services via a CCLTRVL02 form, is accurate. Further, I am claiming reimbursement for expenses associated with a trip in which City business was conducted and personal funds were used to advance payment:



Signature of Traveler

04/07/2010

Date